

**Information Network of Kansas
Board Meeting
March 5, 2009**

The March 5, 2009 meeting was held at the KDOT Office, 700 SW Harrison, 2nd Floor, Topeka, KS 66603. At 10:03 a.m. Chairman Dunham called the meeting to order.

The following Board members and proxy were present: Stan Ahlerich, Amy Blankenbiller Gary Centlivre, Cynthia Dunham, David King, Denise Moore, Kathy Sachs, Dennis Slimmer, and Dan Yunk. Others present were: Jim Hollingsworth, INK Executive Director; Phil Elwood, INK General Counsel; Lisa Counts, Shane Myers, DiAnna Wages, Michael Cook, and Wayne Dirks, Kansas Information Consortium (KIC); Dan Korber, Kansas, Inc.; Harry Watts, Kansas Farm Bureau; Guy McDonald and Janet Buchanan, Kansas Corporation Commission.

Consent Agenda

Dunham referred to the March 5, 2009 Consent Agenda and requested Board input.

Slimmer requested the Board move approval of Contracts to the regular Board Agenda.

Dunham moved all items in the Consent Agenda to the Board agenda for the March 5, 2009 meeting.

Approval of Minutes – February 9, 2009

Dunham referred to the minutes of the February 9, 2009 meeting and requested corrections. A motion was made by Slimmer to approve the February 9, 2009 minutes. Seconded by King. Motion carried.

Chairman's Report – Executive Director Evaluation Process

Dunham provided an update on the Executive Director Evaluation Process, noting the Executive Committee recommended following a process similar to the previous year, while providing the opportunity for the Executive Director to hear comments from the full Board. Dunham noted the Board would tentatively plan two Executive Sessions during the May 2009 meeting for the purpose of the Executive Director Evaluation. Discussion ensued.

Blankenbiller suggested the Board consider moving the date of the May 2009 meeting due to potential conflicts with the Legislative agenda.

Yunk noted the importance of completing this process in a timely manner for the benefit of INK and the Executive Director.

Dunham noted these items would be taken into consideration for the evaluation process.

Treasurer's Report

Hollingsworth provided the Board with an overview of the INK Financials for the period ending December 31, 2008.

Hollingsworth requested a Board resolution to be recorded in the minutes to recognize the approval of corporate authorization for INK's accounts with Kaw Valley Bank, CoreFirst Bank & Trust and UMB Bank.

A motion was made by Yunk to recognize a resolution by the INK Board approving the corporate authorization for INK's accounts with Kaw Valley Bank, CoreFirst Bank & Trust and UMB Bank. Seconded by Ahlerich. Motion carried.

Hollingsworth referred to the INK Financials for 2008, citing specific account and transaction discrepancies, but overall noted no major anomalies within the Financials.

Hollingsworth provided the Board with a handout summarizing an INK Chart of Accounts, which will provide the basis for INK Financials going forward. Hollingsworth requested Board input and noted the new financial layout would be available at the April 2009 meeting.

A motion was made by Ahlerich to accept the INK Financials for the period ending December 31, 2008 and file for audit. Seconded by Yunk. Motion carried.

Executive Director Report

Hollingsworth provided the Board with the Executive Director Report, requesting any questions or clarifications.

Hollingsworth noted the Kansas PKI Group was continuing with installation of the locally-hosted solution for PKI. Locally hosted, the PKI will be able to customize the enrollment pages to align with the common look and feel of state government, and will eventually incorporate the KayPay payment engine into the enrollment process, thereby reducing billing function performed by KIC.

Hollingsworth provided an update on the status of HB 2222, a bill that would authorize a state department, agency, commission or authority obligated by statute to collect a license, fee, charge, tax or other exaction to impose a surcharge not to exceed 5.0 percent of the assessment in order to enhance the efficiency of the agency. Hollingsworth noted the bill had passed the House and was currently assigned to the Senate Ways and Means Committee.

Hollingsworth provided the Board with a letter requesting a three-month extension of the Court of Tax Appeals grant awarded in July 2006. The grant was awarded to fund the improvement of the agency's business processes and public accessibility through the acquisition of a software application for case tracking, process management and real-time electronic dissemination of agency information to the public.

A motion was made by Sachs to grant a three-month extension through March 31, 2009 of the Court of Tax Appeals grant awarded in July 2006. Seconded by Yunk. Motion carried.

Hollingsworth provided an overview of a new contract agreement which establishes the responsibilities between INK, registration authority (RA) for the State of Kansas and Local Registration Authority (LRA). Hollingsworth noted INK Counsel provided a memorandum of understanding to be performed between KIC and INK detailing the responsibilities of KIC to perform the RA functions as an agent of INK.

Elwood noted the terminology "trusted network" should be defined or a different term should be used.

A motion was made by Yunk to approve the new contract agreement establishing the responsibilities between INK (RA) and (LRA), with the condition that the definition of "trusted network" would be defined to satisfactorily address the concerns of INK Counsel. Seconded by Sachs. Motion carried.

Hollingsworth provided the Board with an update regarding the INK Annual Financial Audit. Hollingsworth noted the current auditor was requesting a SAS 70 audit procedure in order to perform the annual INK Financial Audit. Hollingsworth noted KIC did not agree with this requirement, as current internal documents could be relied on instead of the more expensive SAS 70 audit procedures. Discussion ensued.

The Board requested further information from Hollingsworth and Counts regarding this topic. Dunham noted this issue would be discussed in-depth at the April 2009 meeting.

Hollingsworth provided the Board with an overview of a special grant request of \$185,000 to assist with mapping broadband deployment throughout Kansas. Hollingsworth noted the Grants Committee had originally rejected the request due to time sensitivity and matching fund issues; however, both of these issues were addressed through the passage of the Federal stimulus package and \$15,000 in matching funds from the Kansas Farm Bureau. Discussion ensued.

If approved, Hollingsworth recommended the Board segment funds into an account similar to that of the Kansas Business Center project to ensure funds would be available upon project initiation. Hollingsworth provided the Board with supporting documents from the Kansas Department of Commerce (Commerce), Kansas Corporation Commission (KCC) and the Kansas Farm Bureau.

A motion was made by Yunk to approve the special grant request and segment funds totaling \$200,000, consisting of \$185,000 in INK funds and \$15,000 of KFB Foundation for Agriculture funds into an account to assist with the mapping of broadband deployment throughout Kansas project. Seconded by Ahlerich. Discussion ensued.

Yunk provided a brief overview of the importance of mapping and understanding broadband deployment throughout the state and the opportunities that exist with the Federal stimulus funds. Utilizing INK funds for the mapping application would position the state for future opportunities with these funds.

Yunk introduced Watts to provide a further overview of the Connected Nation model intended to map broadband deployment throughout Kansas.

Buchanan referred the Board to the letter of support from the KCC.

Ahlerich noted this project would partner INK with Commerce and the KCC to position Kansas and provide a mechanism to complete the mapping process before several states would be able to utilize Federal stimulus broadband funds. Commerce has formed a cross-agency team and is ready to sponsor and host this grant for the State of Kansas.

Moore noted mapping was an important initial step in the process and cited accountability and transparency would be critical to utilizing Federal stimulus funds.

Blankenbiller noted mapping was an important initial step, but facilitating communication with telecom companies would be critical to the overall effort, as many of them have concerns about the costs associated with building broadband infrastructure throughout the state.

Moore noted the mapping effort was a critical step and it would be important to keep private industry informed to ensure success with this initiative.

Slimmer requested clarification regarding specific details of the Federal stimulus funds.

Buchanan noted there was \$4.7 billion available for the Broadband Technology Opportunities Program and \$2.5 billion for Distance Learning, Telemedicine, Broadband Program. Buchanan provided an overview of several opportunities within these programs.

Ahlerich noted this grant would position Commerce to begin the mapping process.

With Ahlerich's consent, Yunk amended the original motion to approve the special grant request and segment funds totaling \$200,000, consisting of \$185,000 in INK funds and \$15,000 of KFB Foundation for Agriculture funds into an account for the Kansas Department of Commerce to assist with the mapping of broadband deployment throughout Kansas project. Seconded by Ahlerich.

Hollingsworth requested clarification regarding the original grant request from Kansas, Inc. being hosted by the Kansas Department of Commerce.

Dunham noted Commerce stands ready to sponsor and host the grant based on the letter dated March 4, 2009.

Yunk called for the question.

Dunham referred to the amended motion by Yunk, seconded by Ahlerich. Motion carried.

Yunk requested a discussion of the roles and responsibilities of the Grants Committee be placed on a future meeting agenda. Dunham tentatively placed this item on the agenda for the May 2009 meeting.

A motion was made by Yunk to accept the Executive Director Report for February 2009. Seconded by Slimmer. Motion carried.

Network Manager Report

Counts provided the Board with an overview of the Network Manager Report, requesting any questions or clarifications.

Counts noted KIC and INK were working with legal counsel to modify necessary contract elements and to complete the framework of an operational transition plan for the INK Executive Director's approval regarding the CDC move.

Counts noted KIC is developing a tracking proposal for the INK Executive Director to monitor the Board's funding for assistance in offset of KIC maintenance, which was approved in February 2009.

Counts noted Kansas.gov enabled Web 2.0 technology in several areas with social networking and mobile services.

Counts noted efforts continued with the Kansas Business Center (KBC) initiative with Phase II sessions and utilizing Google Analytics to track site performance.

Counts note there were six Contract(s) for the Board to review from February 2009:

- **Kansas Secretary of State (KSOS)** requests INK assistance for providing an online application that will allow business entities to reserve business entity names online. This is a fee service and revision to price charged.
- **Kansas Secretary of State (KSOS)** requests INK assistance for providing an online application that will allow the public to create businesses online. This is a fee service and revision to price charged.
- **Kansas Secretary of State (KSOS)** requests INK assistance for providing an online application that will allow the public the ability to perform Uniform Commercial Code (UCC) filings and searches. This is a fee service and revision to price charged.
- **Kansas Secretary of State (KSOS)** requests INK assistance for providing an online application that will allow the public to search and retrieve business entity information. This is a fee service and revision to price charged.
- **Kansas State Board of Examiners in Optometry (KSBE)** requests INK assistance in amending the License Portal Electronic Government Service Contract to include a service to allow license holders the option to order and pay for replacement licenses. This is a fee service.
- **Kansas Board of Mortuary Arts (KBMA)** requests INK assistance in providing an online data collection and payment portal service called KanForm. INK will develop, maintain and enhance the online data collection and payment portal to conduct electronic commerce transactions. This is a fee service.

Slimmer requested clarification regarding the KSOS Contracts. Counts noted the changes were minimal and would not impact INK revenue.

A motion was made by Yunk to approve the six Contracts previously listed between INK and KSOS, KSBE and KBMA. Seconded by Blankenbiller. Motion carried.

Myers provided the Board with a presentation and update on portal marketing efforts.

Counts provided an update regarding the Kansas Department of Revenue (Revenue) pricing discussion, noting good faith going forward would be required by both parties, given the difficulty of pricing for 2010.

Centlivre concurred and noted the issue may arise later in 2009 and recommended approval of the Contract as amended.

A motion was made by Yunk to amend the Pricing Contract between INK and Revenue as recommended. Seconded by Blankenbiller. Motion carried.

Adjourn

With no further business, at 12:18 p.m., Dunham requested a motion to adjourn the meeting. A motion was made by Ahlerich to adjourn the meeting. Seconded by Centlivre. Motion carried.

Respectfully submitted

Stan Ahlerich
Secretary